

Minutes of the National Oversight and Audit Commission (NOAC) meeting  
Tuesday 23<sup>rd</sup> May 2017

Venue: Withdrawing Room Custom House, Dublin 1

Attended by:

Chairman Pat McLoughlin

Members Paul Lemass  
Martina Moloney  
Colleen Savage

Secretariat Diarmuid O'Leary  
Sheila McMahon

Apologies John Buckley  
Tara Buckley  
Connie Hanniffy  
David Holohan  
Michael McGreal  
Sharon O'Connor  
Henry Upton

Guests Pat Guiney, VFM Unit, Local Government Audit Service (LGAS)  
Catherine Healy, VFM Unit, LGAS

Minutes of last meeting and matters arising

The minutes of the meeting of 11<sup>th</sup> April 2017 were agreed without amendment. The members confirmed that they were not aware of any conflicts of interest in relation to the items for discussion at the meeting. The members were updated regarding the publication of the report on the Management and Maintenance of Local Authority Housing and the chairman's interview on Morning Ireland on 9<sup>th</sup> May regarding the report. The Joint Oireachtas Committee on Housing, Planning, Community and Local Government has acknowledged receipt of the report and advised the secretariat that NOAC will be invited before the Committee to discuss the report, though a date has not yet been proposed.

Value for Money (VFM) Unit Report No. 30 on Corporate Estate Management and Maintenance in Local Authorities

Catherine Healy gave a presentation highlighting the key findings and recommendations of the VFM Unit's report no. 30 and she and Pat Guiney answered questions from the members. NOAC enquired as to the scale of spending on maintenance of this property and Catherine Healy indicated that not all of the local authorities were able to supply this data and, in the case of those who did, the data was too inconsistent in terms of the costs included and excluded to be used in the report. Expenditure on the main headquarters buildings seemed to be broadly in the region of

€200,000 per annum. In addition to a lack of clarity from local authorities about the area per workstation or per whole-time equivalent, there was also a lack of clarity in relation to the size of the buildings occupied. The members commented that the main focus of local authorities tends to be on their headquarters buildings. Other properties tend to be quite diverse and regarded by the local communities as community assets, which has an impact on how local authorities manage their portfolios. It was acknowledged that many of the report's recommendations would be difficult to implement outside of the main HQ buildings, given the range of diverse properties. The Chairman noted that many similar issues to those identified by the VFM Unit had arisen in NOAC's review of the management and maintenance of local authority housing stock, such as the lack of data, the emphasis on reactive rather than preventative maintenance, procurement issues re framework agreements, etc. As the annual expenditure is not significant, the issue may be more about the professionalism of the function. The message emerging from both reports, together with NOAC's review of the performance of regulatory functions in the private rented sector, was that in-house property management expertise needs to be developed in the context of the significant involvement of local authorities in the property sector. Based on the research done for the report, Catherine Healy indicated that most extensive work in this area had been done by Tipperary County Council. Primarily as a result of its merger, Tipperary is the only one of the examined authorities that has a documented Property Asset Management Plan for their portfolio. It was agreed that NOAC should formally consider whether an indicator relating to the space per whole-time equivalent should be included in the performance indicators.

### Local Authority Profiles

The members discussed the circulated profile of Louth County Council and the expanded profile of Offaly County Council as requested at the last meeting. It was agreed that the Council's annual budget figure should be added to the headline information and that the appendix should also include the 2014 and 2016 performance indicator data for the local authorities with the 2016 averages/medians when available. It was decided that the next local authority to be profiled should be Cork City Council. The Chairman commented that, when NOAC meets individually with the Chief Executives, it will be useful to have a greater understanding of their context but NOAC will also need to find out what internal learning is happening within the sector and the reasons why there can be major variations in performance. The profiles will be given to the Chief Executives for comments and any other appropriate material. NOAC will meet with the Chief Executives before the final profiles are published as NOAC reports.

### Customer Survey

In Mark Crosbie's absence, due to illness, Colleen Savage gave the meeting a summary of the 17 responses received to date to the customer engagement questionnaire that issued on 24<sup>th</sup> April. These indicate that in the majority of cases customer feedback is not routinely sought and older charters have not been reviewed. The majority have a customer service officer or team and provide training to them. Housing enquires are the most commonly received followed by environmental, planning, roads and traffic, and waste disposal queries. Not all

authorities could provide information on customer communications expenditure and social media expenditure is low. Good suggestions were received as to how to improve customer services and the group may have to revert to some of the authorities.

### Financial Performance

The secretariat advised that while the final draft 2016 Annual Financial Statement was received a day later than last year, more AFSs were received at an earlier date this year. In the follow-up to the 2015 LGAS Audit Reports, John Buckley, chair of the Financial Performance Sub-Group has written to 25 of the local authorities and responses had been received from 17, with a further query having issued to one of these. A draft had been circulated to the sub-group of the populated skeleton report dealing with the statutory requirements applicable to Audit Committees in the format proposed by the group's chair. The responses were incomplete in many cases, impacting on the ability to confirm compliance. The sub-group will meet soon to discuss the draft Audit Committee report and also the 2015 Audit responses.

### 2016 Performance Indicators

Martina Moloney advised the members that the validation visits to the local authorities selected at the last meeting of the Performance Indicators Sub-Group were being arranged to take place in the month of June so as to facilitate the objective of publication of the 2016 Performance Indicators Report in September. As well as reviewing the data capture in relation to the 5 selected indicators (re-letting times/costs, road mapping data, fire certificate applications, sick leave and website/social media), the authorities were being asked to give a 10 minute presentation outlining the context in which they operate and their particular challenges. She advised the meeting that Wexford County Council had provided NOAC with a report of an exercise they had carried out to compare and analyse their figures with a view to improving performance in the areas where their comparative performance was poor. This was exactly the sort of use of the indicators that NOAC would like to see all local authorities undertaking and Wexford had been included in the validation visits to discuss their approach. The sub-group had agreed to seek outside expertise on the presentation of the data in the 2016 Report and to analyse the indicators at their next meeting to establish which ones are outcome focussed. The group will also try to include some comparisons of indicator outcomes in relation to local authorities of a similar size and profile within its commentary on the data in the 2016 Report.

### PMO Project and ICT Review

The questionnaire to all the Internal Audit Sections was amended following the meeting of the PMO Project Sub-Group on 26<sup>th</sup> April and is expected to issue next week and the LGMA have been asked to provide the responses to their 2012 questionnaire. As the relevant officials involved in developing the ICT strategy were unavailable to attend this meeting, their attendance was now scheduled for the meeting on 4<sup>th</sup> July. Also invited is the Leitrim County

Council Head of Information Service (HIS) and the HIS of either Cork or Dublin City Councils (due to the unavailability of the Kildare County Council HIS).

#### Any Other Business

The members were circulated an email from a journalist enquiring if NOAC was going to examine how local authorities operate their parking meter contracts, whether there are vulnerabilities that could lead to a loss of revenue and what safeguards are needed? A VFM study into car parking had been mentioned at a meeting with the LGAS and the secretariat had confirmed with the VFM Unit that such a study was underway and expected to be completed by early 2018. It was agreed that, in those circumstances, it would not be appropriate for NOAC to carry out a study into the same subject, but it will review the VFM study when available to see if any follow-up is required.

#### Next Meeting

The next meeting of NOAC is scheduled for Tuesday 4<sup>th</sup> July 2017 at 10.00 a.m. in the main Conference Room of the Custom House. The Chairman said he would give the secretariat a list of suggested meeting dates up to the end of the year for circulation to the members.